

# Department of Administration

Analyst: Milstead

## Historical Summary

OPERATING BUDGET	FY 2006 Total App	FY 2006 Actual	FY 2007 Approp	FY 2008 Request	FY 2008 Gov Rec
<b>BY PROGRAM</b>					
Administrative Rules	544,200	453,000	542,700	560,200	0
Director's Office	1,389,000	1,258,200	1,367,500	1,452,200	0
Info. Tech. & Communication	4,322,900	4,020,400	5,453,500	4,695,900	0
ITRMC	711,500	502,400	704,300	802,700	0
Office of Insurance Management	1,396,900	1,164,500	1,434,100	1,743,000	0
Public Works	13,578,600	8,912,200	15,551,300	11,558,900	0
Purchasing	3,489,800	2,922,100	3,383,800	3,501,400	0
Bond Payment	16,042,000	15,711,700	16,542,000	36,646,600	0
<b>Total:</b>	<b>41,474,900</b>	<b>34,944,500</b>	<b>44,979,200</b>	<b>60,960,900</b>	<b>0</b>
<b>BY FUND CATEGORY</b>					
General	9,016,400	8,814,900	9,016,600	9,039,500	0
Dedicated	32,458,500	26,127,100	35,962,600	51,921,400	0
Federal	0	2,500	0	0	0
<b>Total:</b>	<b>41,474,900</b>	<b>34,944,500</b>	<b>44,979,200</b>	<b>60,960,900</b>	<b>0</b>
Percent Change:		(15.7%)	28.7%	35.5%	(100.0%)
<b>BY OBJECT OF EXPENDITURE</b>					
Personnel Costs	10,126,400	9,031,600	9,962,900	10,578,800	0
Operating Expenditures	23,351,000	16,869,700	23,633,900	27,873,300	0
Capital Outlay	7,997,500	9,043,200	11,382,400	22,508,800	0
<b>Total:</b>	<b>41,474,900</b>	<b>34,944,500</b>	<b>44,979,200</b>	<b>60,960,900</b>	<b>0</b>
Full-Time Positions (FTP)	173.50	173.50	175.10	177.10	0.00

## Division Description

**OFFICE OF ADMINISTRATIVE RULES:** Structures, promulgates, and disseminates all administrative rules subject to the Idaho Administrative Procedure Act.

**DIRECTOR'S OFFICE:** Provides administrative, fiscal, legal, and human resources services to the Department. Administers the Industrial Special Indemnity Fund. The Office also administers the BOND PAYMENT program (created by the 2003 Legislature) which consolidates within a single program funds to pay for capital projects financed with bonds sold by the Idaho State Building Authority.

**DIVISION OF INFORMATION TECHNOLOGY & COMMUNICATION:** Operates the IDANET, coordinates Internet, electronic mail, telephone, data and video transmission services, and the statewide microwave system.

**INFORMATION TECHNOLOGY RESOURCE MANAGEMENT COUNCIL (ITRMC):** Facilitates a centralized and coordinated approach to the design, procurement and implementation of the state's information systems.

**OFFICE OF INSURANCE MANAGEMENT:** Negotiates and administers medical, dental, life and disability insurance programs and the Integrated Behavioral Health Plan for state employees, provides property and casualty insurance services to state government via insurance and self-insurance.

**DIVISION OF PUBLIC WORKS:** Develops and oversees construction and renovation projects for state buildings, and manages leases for all state-leased office space.

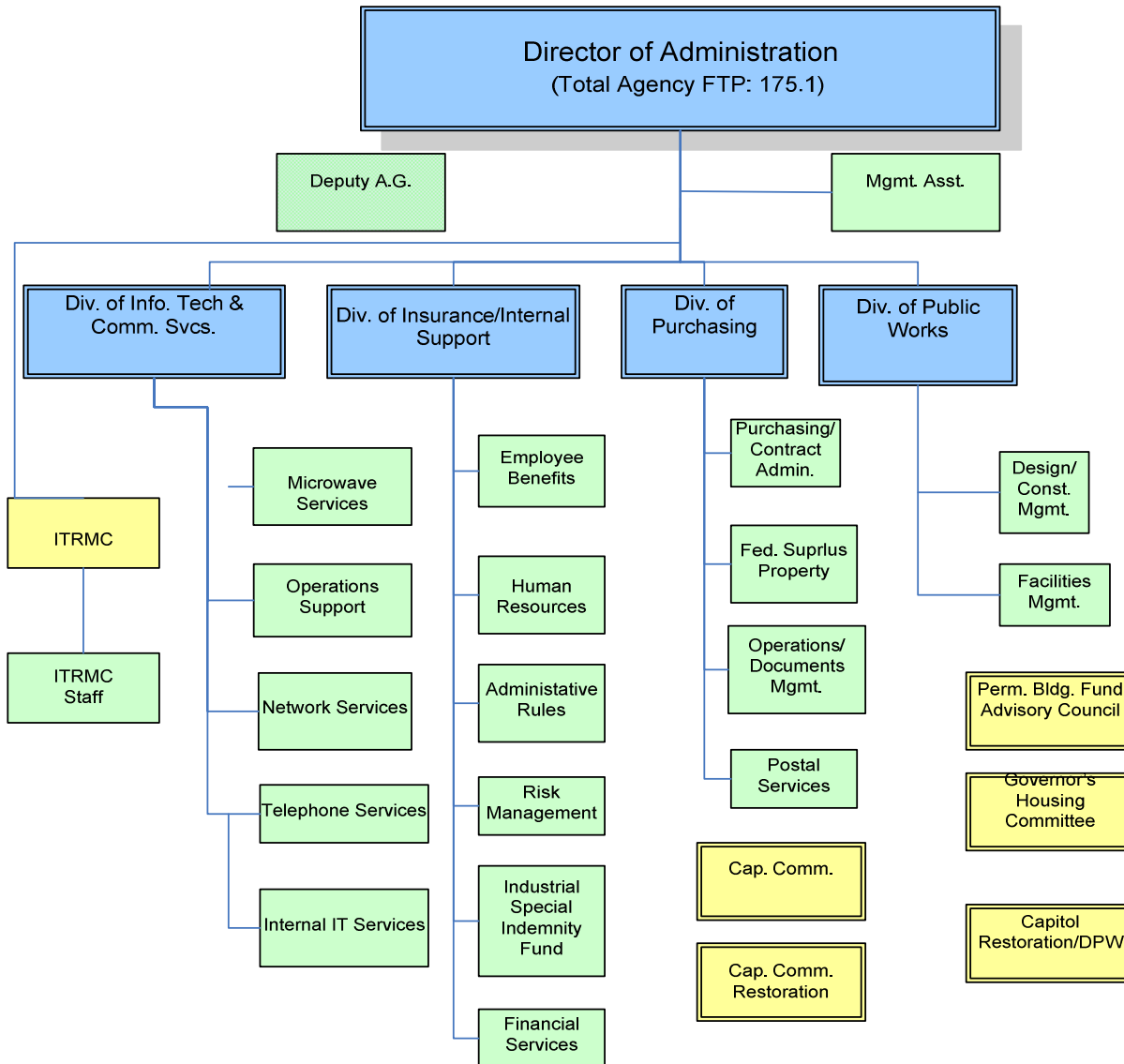
**DIVISION OF PURCHASING:** Acquires property for all state agencies through the competitive bidding process, provides document management services, assists in the donation of surplus federal property to state and local government and eligible non-profits, and provides mail services to most state agencies.

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## Agency Profile

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### Organizational Chart



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## Agency Profile

### Sources/Use of Funds

		Act. as %		
	FY06 Act.	of Total	FY07 Orig. App.	FY08 Req.
<b>1 General Fund (0001-00)</b>	<b>\$8,814,900</b>	<b>27%</b>	<b>\$9,016,600</b>	<b>\$9,039,500</b>
The General Fund consists of "moneys received into the treasury and not specially appropriated to any other fund."				
<b>2 Indirect Cost Recovery (0125-00)</b>	<b>\$1,131,500</b>	<b>3%</b>	<b>\$1,205,700</b>	<b>\$1,324,300</b>
This consists of charges to other bureaus within the Department to allocate administrative overhead costs. Funds are used to pay salaries, operating costs, and capital equipment costs for centralized administrative functions for the entire department.				
<b>3 Perm Bldg. Fund (0365-00)</b>	<b>\$10,614,600</b>	<b>32%</b>	<b>\$12,065,600</b>	<b>\$33,412,900</b>
This Fund consists of the following: a \$10 tax paid by every person and corporation required to file an income tax return; \$5 million per year comes from the Sales Tax; 17.3% of 47 cents of the per pack cigarette tax; 33% of the \$4.65 tax per barrel of 31 gallons of beer sold; one-half of state lottery earnings; interest from the Budget Stabilization Fund as well as interest from the PBF itself. Moneys are dedicated to building and renovating or repairing existing structures. The Division of Public Works receives partial funding from this fund and some building bond payments come from this fund.				
<b>4 Admin. &amp; Acctg. Svcs. (0450-00)</b>	<b>\$12,021,100</b>	<b>37%</b>	<b>\$14,948,000</b>	<b>\$15,015,800</b>
Revenue derived from billing for services including radio, microwave, telephone, postal, building space, parking, purchasing, and record management. It also includes funding for interagency services provided by the department. Some building bond payments come from this fund.				
<b>5 Employee Group Ins. (0461-00)</b>	<b>\$577,100</b>	<b>2%</b>	<b>\$727,400</b>	<b>\$750,900</b>
Funded by a per employee payment by each agency to the Department to fund the Group Insurance Program.				
<b>6 Misc. Revenue (0349-00); Fed Grant (0348-00).</b>	<b>\$94,100</b>	<b>0%</b>	<b>\$2,500,000</b>	<b>\$0</b>
Misc. fund reflects donations received for the renovation of the Simplot residence. The federal grant in FY 2005 reflects funds from USGS to ITRMC.				
<b>7 Retained Risk (0462-00)</b>	<b>\$587,400</b>	<b>2%</b>	<b>\$706,700</b>	<b>\$992,100</b>
Funds from all premiums and surcharges received under Idaho Code section 67-5777. Used solely for payment of premiums and cost of Insurance Management.				
<b>8 Admin Code (0475-05)</b>	<b>\$453,000</b>	<b>1%</b>	<b>\$542,700</b>	<b>\$560,200</b>
Moneys generated from user fees covers the on-going operational costs of the program.				
<b>9 Industrial Indemnity (0519-00)</b>	<b>\$282,200</b>	<b>1%</b>	<b>\$287,200</b>	<b>\$298,600</b>
Used to pay claimants who have suffered an industrial injury subsequent to either a pre-existing physical impairment or condition which render the claimant totally and permanently disabled.				
<b>10 Surplus Property (0456-00)</b>	<b>\$316,900</b>	<b>1%</b>	<b>\$471,000</b>	<b>\$466,000</b>
Used to manage federal surplus personal property, available for donation to eligible health and educational institutions, units of state and local government, and to civil defense organizations. Funds are derived from charges assessed on any recipient of federal surplus property for the acquisition, warehousing, distribution or transfer of such property.				
<b>11 Eco. Recovery Res. (0150-01)</b>	<b>\$51,100</b>		<b>\$2,684,400</b>	<b>\$0</b>
Moneys from this fund were used for one-time needs.				
<b>Total</b>	<b>\$34,892,800</b>		<b>\$45,155,300</b>	<b>\$61,860,300</b>

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## Agency Profile

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### Key Services Provided

Fiscal Year	FY 2003	FY 2004	FY 2005	FY 2006
<b>1 Internal Management Systems</b>				
Number of rules promulgated	186	191	206	210
No. of property, casualty, liability and auto ins. claims reported	1,476	1,137	941	920
No. of active employees enrolled in state's group insurance	19,250	18,076	18,495	18,382
No. of active employee dependents enrolled in state's group insurance	24,561	23,022	22,813	23,300
No. of retirees enrolled in state's group insurance	2,965	3,035	3,117	3,217
No. of retiree dependents in state's group insurance	1,401	1,401	1,440	1,486
<b>2 Public Works Division</b>				
Dollars appropriated for public works projects not including agency funds	17.7 million	29.0 million	21.3 million	21.1 million
No. of new public works projects	137	161	183	163
No. of closed public works projects	134	104	148	134
Square feet of office space leased statewide	1,897,419	1,855,721	2,059,703	2,046,877
Dollars for office space leased statewide	\$21.3 million	\$21.8 million	\$23.1 million	\$23.9 million
<b>3 Information Technology &amp; Comm. Svcs.</b>				
No. of spam messages blocked from the state's e-mail system	N/A	7,213,008	30,623,088	65,831,353
No. of viruses blocked from the state's e-mail system	N/A	1,813,835	2,905,913	1,723,906
No. of virtual visitors to the Idaho home page	89,161,442	100,163,619	86,705,460	85,624,839
No. of government services and applications available on-line	88	95	108	124

# Department of Administration

## Agency Profile

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### FY 2008 Estimated Debt Service on Bonded Indebtedness

Proj. No.	Description	Initial Issue	Maturity Date	Est. Bond Payment*	Source
1	1988 Max/Med prisons	31,295,000	FY 2010	2,456,819	PBF
2	1992 Prison Dorm	3,185,000	FY 2013	255,702	PBF
3	St. Hosp. North	8,210,000	FY 2013	718,383	PBF
4	Parks & Rec Hdqtrs.	3,125,000	FY 2009	326,305	Gen Fund
5	1998 Prison Complex	58,985,000	FY 2026	4,061,770	Gen Fund
6	Ponderosa Park Add	5,790,000	FY 2008	717,164	Gen Fund
7	Id St. School & Hosp.	9,325,000	FY 2027	654,259	H & W
8	Billingsley Creek	6,815,000	FY 2022	535,939	Gen Fund
9	ISU Rendezvous	12,730,000	FY 2024	964,557	PBF
10	BSU Academic West	9,180,000	FY 2024	684,721	PBF
11	UI Learning Ctr.	12,440,000	FY 2024	931,593	PBF
12	LCSC Activity Ctr.	10,625,000	FY 2024	791,614	PBF
13	NIC Health Bldg.	11,665,000	FY 2024	873,974	PBF
14	CSI Fine Arts	5,730,000	FY 2024	425,753	PBF
15	ISP Post Academy	2,425,000	FY 2024	182,130	PBF
16	954 Jefferson St.	2,461,592	FY 2020	234,874	PBF
17	BSU-College of Tech	6,045,000	FY 2017	425,156	PBF
18	EITC	7,969,353	FY 2027	793,519	PBF
19	Capitol Restoration	127,090,000	FY 2015	20,100,600	PBF
<b>Total</b>		<b>\$339,175,945</b>		<b>\$36,134,832</b>	

<b>Total Bond Payments By Fund</b>	
Perm. Bldg. Fund	\$29,839,395
General Fund	\$5,641,178
Other	\$654,259
<b>Total</b>	<b>\$36,134,832</b>

\* Includes both debt service and rent. Does not exactly match agency request due to anticipated fluctuations in amortization schedules.

\*\*Two bonds are not paid through the Department of Administration: Idaho Water Center bond payment of approximately \$2.9 million is paid by the Idaho State Building Authority with agency funds; also, the Lava Hot Springs bond payment of \$63,000 is not paid through the Department of Administration.

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## Comparative Summary

Decision Unit	Agency Request			Governor's Rec		
	FTP	General	Total	FTP	General	Total
<b>FY 2007 Original Appropriation</b>	<b>175.10</b>	<b>9,016,600</b>	<b>44,979,200</b>	<b>175.10</b>	<b>9,016,600</b>	<b>44,979,200</b>
Reappropriations	0.00	0	2,755,000	0.00	0	2,755,000
1. Personnel Payouts	0.00	0	0	0.00	200,000	570,300
<b>FY 2007 Total Appropriation</b>	<b>175.10</b>	<b>9,016,600</b>	<b>47,734,200</b>	<b>175.10</b>	<b>9,216,600</b>	<b>48,304,500</b>
Removal of One-Time Expenditures	0.00	0	(8,507,200)	0.00	(200,000)	(9,077,500)
Base Adjustments	1.00	(366,000)	4,000	1.00	(366,000)	4,000
<b>FY 2008 Base</b>	<b>176.10</b>	<b>8,650,600</b>	<b>39,231,000</b>	<b>176.10</b>	<b>8,650,600</b>	<b>39,231,000</b>
Benefit Costs	0.00	43,900	246,700	0.00	0	0
Inflationary Adjustments	0.00	15,100	225,100	0.00	0	0
Replacement Items	0.00	194,400	702,200	0.00	194,400	702,200
Statewide Cost Allocation	0.00	12,400	86,100	0.00	12,400	86,100
Change in Employee Compensation	0.00	52,100	298,200	0.00	74,400	425,900
<b>FY 2008 Program Maintenance</b>	<b>176.10</b>	<b>8,968,500</b>	<b>40,789,300</b>	<b>176.10</b>	<b>8,931,800</b>	<b>40,445,200</b>
1. Capitol Restoration Debt Service	0.00	0	20,100,600	0.00	0	17,600,000
2. GIS Personnel Costs	0.00	21,000	21,000	0.00	0	0
3. Integrated Property Records System	1.00	50,000	50,000	0.00	0	0
4. Gov's Initiative: Program Reformation	0.00	0	0	(176.10)	(8,931,800)	(58,045,200)
<b>FY 2008 Total</b>	<b>177.10</b>	<b>9,039,500</b>	<b>60,960,900</b>	<b>0.00</b>	<b>0</b>	<b>0</b>
Change from Original Appropriation	2.00	22,900	15,981,700	(175.10)	(9,016,600)	(44,979,200)
% Change from Original Appropriation		0.3%	35.5%		(100.0%)	(100.0%)

# Department of Administration

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Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
<b>FY 2007 Original Appropriation</b>	175.10	9,016,600	35,962,600	0	44,979,200

## Reappropriations

## Public Works

This spending authority was authorized as part of the Capitol Restoration and Expansion project.

Reappropriation authority, also known as carry over, allows unspent funds from the prior fiscal year to be carried over and spent in the current fiscal year. Those moneys are then removed as one-time expenditures before calculating the next year's base. Carry over requires specific legislative authorization and must be approved every year.

Agency Request	0.00	0	2,755,000	0	2,755,000
Governor's Recommendation	0.00	0	2,755,000	0	2,755,000

## 1. Personnel Payouts

Agency Request	0.00	0	0	0	0
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Provide funding for any potential vacation or comp time payouts due to the Governor's recommendation that the Department of Administration be devolved.

Governor's Recommendation	0.00	200,000	370,300	0	570,300
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## FY 2007 Total Appropriation

Agency Request	175.10	9,016,600	38,717,600	0	47,734,200
Governor's Recommendation	175.10	9,216,600	39,087,900	0	48,304,500

## Removal of One-Time Expenditures

Remove funding provided for one-time items including reappropriation (\$2,755,000), capital outlay (\$56,700), spending authority of private donations for renovation of the Idaho House (\$2,500,000), and re-payment of excess retained earnings for elected official rent (\$1,900,000).

Agency Request	0.00	0	(8,507,200)	0	(8,507,200)
Governor's Recommendation	0.00	(200,000)	(8,877,500)	0	(9,077,500)

## Base Adjustments

## Director's Office

These adjustments reflect the following: 1) In FY07, 1.0 FTP was transferred to the Capitol Commission to assist with the Capitol restoration. This decision unit transfers the 1.0 FTP back to the Department. The transfer is budget neutral. 2) Transfer of spending authority from the Division of Purchasing to the Division of Insurance and Internal Support to fund a Website coordinator position to manage the Department's website. The FTP already exists within the Division. The Website will serve as a centerpiece for outreach, service delivery and communication. 3) Base reduction of \$366,000 (General Fund) in the Bond Payment program to reflect that FY 2007 was the final bond payment on the Industrial Administration building. 4) This also includes the first payment for the EITC health education building on the campus in Idaho Falls. This is an interest-only payment of \$370,000 in dedicated funds.

Agency Request	1.00	(366,000)	370,000	0	4,000
Governor's Recommendation	1.00	(366,000)	370,000	0	4,000

## FY 2008 Base

Agency Request	176.10	8,650,600	30,580,400	0	39,231,000
Governor's Recommendation	176.10	8,650,600	30,580,400	0	39,231,000

## Benefit Costs

Restores funding for premium holidays taken in FY 2007. Also includes the employer-paid portion of estimated changes in employee benefit costs including \$350 per employee for health insurance.

Agency Request	0.00	43,900	202,800	0	246,700
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The Governor recommends that all health insurance related adjustments be funded by program changes or utilizing reserves available in the group insurance contract. As the PERSI Board voted to maintain the current contribution rate for the upcoming fiscal year, no adjustment to retirement rates is necessary.

Governor's Recommendation	0.00	0	0	0	0
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Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
<b>Inflationary Adjustments</b>					
This customized inflationary adjustment is a 1.81% increase over the base. It is calculated by subtracting statewide allocation plan costs and applying a 1.81% increase for all remaining operating costs.					
Agency Request	0.00	15,100	210,000	0	225,100
<i>Inflationary increases are provided only for contractual obligations such as leased space costs. Other inflationary requests are not recommended.</i>					
Governor's Recommendation	0.00	0	0	0	0
<b>Replacement Items</b>					
Includes \$250,000 (dedicated funds) to replace the existing electronic Risk Management System which was purchased in 1994; \$75,000 (dedicated funds for a used/reconditioned 80' Telescopic Boom Lift to replace the boom truck used throughout the Capitol Mall for "high reach" facilities work; \$8,500 for a large format analog copier used to make over-sized copies; \$20,000 to replace a 1983 Ford F250 used by Capitol Mall maintenance staff; \$154,300 (dedicated funds) for various computer equipment, two pick-up trucks, two snowmobiles, radios, batteries and Internal ITG software upgrades for five SQL servers; and finally, \$194,400 (General Fund, \$164,400, on-going) for replacement of a Redundant Public Access Web Server, software upgrade, replacement of Second internet Connection and maintenance agreements for equipment purchased in FY 2007 for Network Services operations.					
Agency Request	0.00	194,400	507,800	0	702,200
Governor's Recommendation	0.00	194,400	507,800	0	702,200
<b>Statewide Cost Allocation</b>					
This decision unit includes adjustments for services provided by state agencies as follow: \$75,600 for Attorney General fees, \$6,400 for State Controller fees, a reduction of \$900 for State Treasurer fees, and \$5,000 for property and casualty insurance premiums. Also, reflects the first bond payment of \$370,000 (interest only) for the Eastern Idaho Technical College (EITC) facility in Idaho Falls.					
Agency Request	0.00	12,400	73,700	0	86,100
Governor's Recommendation	0.00	12,400	73,700	0	86,100
<b>Change in Employee Compensation</b>					
Reflects the calculated cost of a 3.5% salary increase for permanent and group positions.					
Agency Request	0.00	52,100	246,100	0	298,200
<i>The Governor recommends a compensation increase of 5% to be distributed based on merit.</i>					
Governor's Recommendation	0.00	74,400	351,500	0	425,900
<b>FY 2008 Program Maintenance</b>					
Agency Request	176.10	8,968,500	31,820,800	0	40,789,300
Governor's Recommendation	176.10	8,931,800	31,513,400	0	40,445,200
<b>1. Capitol Restoration Debt Service</b>				<b>Bond Payment</b>	
This reflects the initial bond payment for the restoration and expansion of the Idaho State Capitol Building as authorized in HCR 47. Bond payments (paid from the cigarette tax transferred to the Permanent Building Fund) are estimated to remain at about this level until declining for the FY 2015 payment which is estimated to be about \$12.5 million. The FY 2015 bond payment will be the final payment for the Statehouse Restoration and Expansion.					
Agency Request	0.00	0	20,100,600	0	20,100,600
<i>The Governor recommends that the scope of the Capitol Restoration Project be revised to focus on the Capitol building in its entirety. Other project elements, including the underground extensions, would be held in abeyance in order to minimize overall project costs and shorten the time period for bond payments from approximately eight years to five.</i>					
Governor's Recommendation	0.00	0	17,600,000	0	17,600,000



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Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
<b>2. GIS Personnel Costs</b>					
<b>Information Technology Resource Mgmt Council</b>					
The Department requests \$21,000 (General Fund, on-going) to provide for personnel costs to meet staffing needs toward continued development of a Geographic Information Systems (GIS) Service Center within the Department of Administration. [Background: ITRMC, through the State's Information Technology Strategic Plan, encourages collaborative approaches to the effective use of the State's Information Technology investment. ITRMC and its Idaho Geospatial Committee supported the need for a centralized center and endorsed the concept that the Departments of Administration and Lands work together to institute such a program. In 2006, both agencies signed a Memorandum of Agreement to create a GIS Service Center within the Department of Administration. Under the MOA, the Department of Lands agreed to provide one FTP and to cover all personnel related costs from the effective date of the Memorandum through November 2007. The Department of Administration agreed to provide work space for the position and to cover operating expenses for hardware and specialized software. This request will provide resources to fulfill that MOA.]					
Agency Request	0.00	21,000	0	0	21,000
<i>Not recommended by the Governor.</i>					
Governor's Recommendation	0.00	0	0	0	0
<b>3. Integrated Property Records System</b>					
<b>Information Technology Resource Mgmt Council</b>					
The Department of Administration requests to move 1 FTP and \$50,000 for the statewide integrated property records system from the Department of Lands to the Department of Administration. The two agencies are coordinating a proposed statutory change for the 2007 session because H487 (passed in the 2000 Session) put this responsibility in the Department of Lands. JFAC originally approved 2 FTPs and \$112,000 for FY 2001 but the holdbacks of FY 2003 and FY 2004 left the Department of Lands with funding for only one position. [Ongoing]					
Agency Request	1.00	50,000	0	0	50,000
<i>Not recommended by the Governor.</i>					
Governor's Recommendation	0.00	0	0	0	0
<b>4. Gov's Initiative: Program Reformation</b>					
Agency Request	0.00	0	0	0	0
<i>The Governor recommends devolving the Department of Administration.</i>					
Governor's Recommendation	(176.10)	(8,931,800)	(49,113,400)	0	(58,045,200)
<b>FY 2008 Total</b>					
Agency Request	177.10	9,039,500	51,921,400	0	60,960,900
Governor's Recommendation	0.00	0	0	0	0
Agency Request					
Change from Original App	2.00	22,900	15,958,800	0	15,981,700
% Change from Original App	1.1%	0.3%	44.4%		35.5%
<i>Governor's Recommendation</i>					
Change from Original App	(175.10)	(9,016,600)	(35,962,600)	0	(44,979,200)
% Change from Original App	(100.0%)	(100.0%)	(100.0%)		(100.0%)